Z-1179.1			

SENATE BILL 6375

State of Washington 57th Legislature

2002 Regular Session

By Senators Fraser, Winsley, Regala, Carlson, Rasmussen, Kastama and Oke; by request of Joint Committee on Pension Policy

Read first time 01/16/2002. Referred to Committee on Ways & Means.

- 1 AN ACT Relating to conforming the Washington state retirement
- 2 systems to federal requirements on veterans; and amending RCW
- 3 41.04.005, 41.40.170, and 43.43.260.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 41.04.005 and 1999 c 65 s 1 are each amended to read 6 as follows:
- 7 (1) As used in RCW 41.04.005, 41.16.220, and 41.20.050 "veteran"
- 8 includes every person, who at the time he or she seeks the benefits of
- 9 RCW 41.04.005, 41.04.010, 41.16.220, 41.20.050, 41.40.170, 73.04.110,
- 10 or 73.08.080 has received an honorable discharge or received a
- 11 discharge for physical reasons with an honorable record and who meets
- 12 at least one of the following criteria:
- 13 (a) The person has served between World War I and World War II or
- 14 during any period of war, as defined in subsection (2) of this section,
- 15 as either:
- 16 (i) A member in any branch of the armed forces of the United
- 17 States;
- (ii) A member of the women's air forces service pilots;

p. 1 SB 6375

- 1 (iii) A U.S. documented merchant mariner with service aboard an 2 oceangoing vessel operated by the war shipping administration, the 3 office of defense transportation, or their agents, from December 7, 4 1941, to December 31, 1946; or
- 5 (iv) A civil service crewmember with service aboard a U.S. army 6 transport service or U.S. naval transportation service vessel in 7 oceangoing service from December 7, 1941, to December 31, 1946; or
- 8 (b) The person has received the armed forces expeditionary medal, 9 or marine corps and navy expeditionary medal, for opposed action on 10 foreign soil, for service:
- 11 (i) In any branch of the armed forces of the United States; or
- 12 (ii) As a member of the women's air forces service pilots.
- 13 (2) A "period of war" includes:
- 14 (a) World War I;
- 15 (b) World War II;
- 16 (c) The Korean conflict;
- 17 (d) The Vietnam era((, which was)) means:
- 18 (i) The period beginning on February 28, 1961, and ending on May 7,
- 19 1975, in the case of a veteran who served in the Republic of Vietnam
- 20 <u>during that period;</u>
- 21 <u>(ii) The period beginning August 5, 1964, and ending on May 7, 22 1975;</u>
- (e) The Persian Gulf War, which was the period beginning August 2,
- 24 1990, and ending on the date prescribed by presidential proclamation or
- 25 law;
- 26 (f) The period beginning on the date of any future declaration of
- 27 war by the congress and ending on the date prescribed by presidential
- 28 proclamation or concurrent resolution of the congress; and
- 29 (g) The following armed conflicts, if the participant was awarded
- 30 the respective campaign badge or medal: The crisis in Lebanon; the
- 31 invasion of Grenada; Panama, Operation Just Cause; Somalia, Operation
- 32 Restore Hope; Haiti, Operation Uphold Democracy; and Bosnia, Operation
- 33 Joint Endeavor.
- 34 **Sec. 2.** RCW 41.40.170 and 1991 c 35 s 78 are each amended to read 35 as follows:
- 36 (1) A member who has served or shall serve on active federal
- 37 service in the military or naval forces of the United States and who
- 38 left or shall leave an employer to enter such service shall be deemed

SB 6375 p. 2

- 1 to be on military leave of absence if he or she has resumed or shall
 2 resume employment as an employee within one year from termination
 3 thereof.
- 4 (2) If he or she has applied or shall apply for reinstatement of 5 employment, within one year from termination of the military service, 6 and is refused employment for reasons beyond his or her control, he or 7 she shall, upon resumption of service within ten years have such 8 service credited to him or her.
- 9 (3) In any event, after completing twenty-five years of creditable 10 service, any member may have service in the armed forces credited to him or her as a member whether or not he or she left the employ of an 11 employer to enter the armed service: PROVIDED, That in no instance, 12 described in this section, shall military service in excess of five 13 years be credited: AND PROVIDED FURTHER, That in each instance the 14 member must restore all withdrawn accumulated contributions, which 15 16 restoration must be completed within five years of membership service 17 following the first resumption of employment or complete twenty-five years of creditable service: AND PROVIDED FURTHER, That this section 18 19 will not apply to any individual, not a veteran within the meaning of 20 RCW 41.04.005((, as now or hereafter amended: AND PROVIDED FURTHER, That in no instance, described in this section, shall military service 21 22 be credited to any member who is receiving full military retirement 23 benefits pursuant to Title 10 United States Code)).
- 24 **Sec. 3.** RCW 43.43.260 and 2001 c 329 s 4 are each amended to read 25 as follows:
- Upon retirement from service as provided in RCW 43.43.250, a member shall be granted a retirement allowance which shall consist of:
- 28 (1) A prior service allowance which shall be equal to two percent 29 of the member's average final salary multiplied by the number of years 30 of prior service rendered by the member.
- 31 (2) A current service allowance which shall be equal to two percent 32 of the member's average final salary multiplied by the number of years 33 of service rendered while a member of the retirement system.
- (3)(a) Any member commissioned prior to January 1, 2003, with twenty-five years service in the Washington state patrol may have the member's service in the armed forces credited as a member whether or not the individual left the employ of the Washington state patrol to enter such armed forces: PROVIDED, That in no instance shall military

p. 3 SB 6375

- 1 service in excess of five years be credited: AND PROVIDED FURTHER,
- 2 That in each instance, a member must restore all withdrawn accumulated
- 3 contributions, which restoration must be completed on the date of the
- 4 member's retirement, or as provided under RCW 43.43.130, whichever
- 5 occurs first: AND PROVIDED FURTHER, That this section shall not apply
- 6 to any individual, not a veteran within the meaning of RCW 41.06.150((-
- 7 as now or hereafter amended: AND PROVIDED FURTHER, That in no instance
- 8 shall military service be credited to any member who is receiving full
- 9 military retirement benefits pursuant to Title 10 United States Code,
- 10 as now or hereafter amended)).

reemployment rights act.

16

- (b) A member who leaves the Washington state patrol to enter the armed forces of the United States shall be entitled to retirement system service credit for up to five years of military service. This subsection shall be administered in a manner consistent with the requirements of the federal uniformed services employment and
- 17 (i) The member qualifies for service credit under this subsection 18 if:
- 19 (A) Within ninety days of the member's honorable discharge from the 20 United States armed forces, the member applies for reemployment with 21 the employer who employed the member immediately prior to the member 22 entering the United States armed forces; and
- (B) The member makes the employee contributions required under RCW 41.45.0631 and 41.45.067 within five years of resumption of service or prior to retirement, whichever comes sooner; or
- (C) Prior to retirement and not within ninety days of the member's honorable discharge or five years of resumption of service the member pays the amount required under RCW 41.50.165(2).
- (ii) Upon receipt of member contributions under (b)(i)(B) of this subsection, the department shall establish the member's service credit and shall bill the employer for its contribution required under RCW 41.45.060 for the period of military service, plus interest as determined by the department.
- (iii) The contributions required under (b)(i)(B) of this subsection shall be based on the compensation the member would have earned if not on leave, or if that cannot be estimated with reasonable certainty, the compensation reported for the member in the year prior to when the member went on military leave.

SB 6375 p. 4

- 1 (4) In no event shall the total retirement benefits from 2 subsections (1), (2), and (3) of this section, of any member exceed 3 seventy-five percent of the member's average final salary.
- 4 (5) Beginning July 1, 2001, and every year thereafter, the 5 department shall determine the following information for each retired 6 member or beneficiary whose retirement allowance has been in effect for 7 at least one year:
 - (a) The original dollar amount of the retirement allowance;
- 9 (b) The index for the calendar year prior to the effective date of 10 the retirement allowance, to be known as "index A";
- 11 (c) The index for the calendar year prior to the date of 12 determination, to be known as "index B"; and
- 13 (d) The ratio obtained when index B is divided by index A.

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department of labor.

- The value of the ratio obtained shall be the annual adjustment to the original retirement allowance and shall be applied beginning with the July payment. In no event, however, shall the annual adjustment:
- 17 (i) Produce a retirement allowance which is lower than the original 18 retirement allowance;
- 19 (ii) Exceed three percent in the initial annual adjustment; or
- 20 (iii) Differ from the previous year's annual adjustment by more 21 than three percent.
- For the purposes of this section, "index" means, for any calendar year, that year's average consumer price index for the Seattle-Tacoma-Bremerton Washington area for urban wage earners and clerical workers, all items, compiled by the bureau of labor statistics, United States
- 27 The provisions of this section shall apply to all members presently 28 retired and to all members who shall retire in the future.

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p. 5 SB 6375